(c) the effect it is showing on the economy of the country; and

(d) steps proposed to be taken to curtail the evil?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) As per the study made by National Institute of Public Finance and Policy (NIPFP) in 1983-84, black money (in the sense of tax evaded income) was estimated between Rs. 31584 crores to Rs. 36786 crores.

(b) The reasons behind generation of huge quantity of black money, as identified by NIPFP, were the high level of taxation, slackness in tax administration, excessive controls on economic activities, general laws and regulations, high inflation rates etc.

(c) In the NIPFP's study some of the eocnomic consequences of black money have been mentioned as mis-information about the actual state of the economy, loss of revenue, adverse implication for resource allocation, income distribution, and monetary policy etc.

(d) The Government have been taking necessary legislative, fiscal and administrative measures, as deemed appropriate, from time to time to curb the growth of black money.

Study by Birla Economic Research Foundation on MODVAT

352. DR. JAGANNATH MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the study entitled 'MODVAT-Some steps toward simplification', conducted by the Birla Economic Research Foundation, which was also published in the Pioneer dated the 15th January, 1997;

(b) if so, what are the details of the re-commendations made by it; and

(c) the reaction of Government in regard thereto?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) Yes, Sir. The study has recommended certain measures towards simplification of 'MODVAT' scheme. These consist, interalia, of — appointment of a high level Committee headed by an independent person and comprising of members drawn from various sectors of economy with a view to review the scheme, issue of a compendium of Notifications, rules and enactments by the Government immediately after Budget, computerisation of assessee's records, abolition of deemed credit/notional credit and availability of Modvat credit to all registered dealers on all inputs, etc.

The Government had already appointed a Committee headed by Dr. Raja Chelliah to go into the structure of indirect taxes of the Central Government. National Institute of Public Finance & Policy, New Delhi had also been asked to study the Modvat scheme and have come up with many suggestions. These have been considered and many of these recommendations have been implemented. Monthly compilation of all Notifcations is being brought out by the Directorate of Public Relations and Publicity under the Central Board of Excise and Customs. Emphasis is also being laid down for computerisation of assessee's records.

Extension of credit to registered dealers is however, not feasible unless Value Added Tax at all levels is introduced. Notional credit and Deemed credit are presently not in force. The Government is thus already seized of the problems relating to the working of MODVAT.

Demand outlined by Bank Employees' Organisations to improve Banking Industry

353. SHRI JALALUDIN ANSARI:
SHRI GURUDAS DAS GUPTA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Bank Employees' organisations in the country have outlined some demands to improve the banking industry; and

(b) if so, what are these demands and Government's reaction thereto?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) Government have received a representation from All India

Bank Employees' Association, making suggestions on the following matters:—

(i) Restructuring of Banks.

(ii) Wilful default of bank loans.

(iii) Full disclosure of the list of all bank defaulters.

(iv) Banks' Balance-sheets should be absolutely transparent.

(v) Establishment of Independent Audit Commission.

(vi) Establishment of a Central Vigilance Commission.

(vii) Appointments of Banks' Chairman & Executives through a Banking Service Commission.

(viii) Standing Parliamentary Committee should be set up to screen the performance of Nationalised Banks.

(ix) Periodic consultation with the unions of employees and officers.

(x) Not to establish Local Area Private Banks.

Effecting improvements in the banking industry is a continuous process in which suggestions received from different sources are kept in view in the light of all relevant factors.

Irregularities/frauds/cheating cases in sanctioning of loan in State Bank of Indore

354. SHRI SHIV CHARAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether several cases of irregularities/ frauds/cheating have been detected in the sanction of loans to the industries/companies by the Head Office authorities of the State Bank of Indore branches at Mumbai, Ahmedabad, and Indore during the last two years;

(b) if so, the details thereof including the amount involved therein, branch-wise and city-wise;

(c) the steps for the recovery of amount advanced against such loan during the last two years;

(d) the action taken by the Bank against the guilty officers and whether the Chairman of the Bank will fix accountability on the highest sanctioning authority; and

(e) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (e) Information is being collected and will be laid on the Table of the House.

Mobilising resources to unearth Black Money

355. SHRI GHUFRAN AZAM: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to mobilise resources to unearth black money in the country;

(b) whether the generation of black money in the country is increasing and the various authorities have failed to curb the activities of those who are generating black money; and

(c) if so, the concrete steps Government propose to take in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) Since no study on black money in the country has been made after 1983-84, it is not possible to say whether its generation is increasing. The various authorities are taking appropriate action under respective laws to curb the activities of those who are generating black money. Besides, Government has been taking necessary legislative, fiscal and administrative measures, as deemed fit, from time to time to curb the growth of black money.

संशोधित वेतमानों की आलोचना

356. **श्रीमती मालती शर्मा:**
श्री राजनाथ सिंह:

क्या वित्त मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या यह सच है कि पांचवें वेतन आयोग द्वारा सरकार को प्रस्तुत किए गए संशोधित वेतनमानों की विभिन्न सरकारी संगठनों द्वारा आलोचना की जा रही है;

(ख) यदि हां, तो तत्संबंधी ब्यौरा क्या है;

(ग) क्या यह सच है कि चतुर्थ श्रेणी तथा तृतीय श्रेणी के कर्मचारियों को इन संशोधित वेतनमानों का अधिक लाभ नहीं मिलेगा क्योंकि वरिष्ठ लिपिकों ने पहले से ही 1400--2600 रुपए का वेतनमान देने की चौथे वेतन आयोग से मांग की थी और सरकार ने उन्हें यह आश्वासन दिया था कि उनका मामला पांचवें वेतन आयोग को सौंप दिया जाएगा; और